From: Collardi, Boris <boris.collardi@juliusbaer.com>
To: ehud barak <ehbarak1@gmail.com>
CC:
Date: Thu, 2/20/2014 4:04:16 AM
Subject: Re: Touch base JB

Dear Ehud,
Thanks for your precious advice and friendship always. I don't take it for granted and know how to appreciate your wisdom in all different matters.
I am satisfied at our first year of cooperation and excited for the prospects ahead. Learning from 2013, we can certainly define a value-added and effective program for the years to come.
As to the topic of compensation, I am hopeful to find a fair, balanced and rewarding mechanism for both parties. I have been talking to my direct reports with whom you had most client interactions and they provided me with a report on business generated with your help.
As you recall in my initial compensation proposal I had split the base fee from the referral fee, setting the retainer at approx. 200k, the level at which a supervisory board member of Julius Baer is compensated. The upside coming from your client introductions resulting in assets and revenues, for which I had offered a generous fee. We then decided, at your request to lump both fees and give you the benefit of the business generation upfront, given your network. This resulted in a annual fee of 600k (200k+400k). In our year-end debrief you clearly expressed to me that you now feel this amount is not commensurate with the value you bring/can bring and a substantial increase of the fee or an upfront payment of up to 2m would motivate you to go the extra mile for this mandate moving fwd. I have tried in every possible way to close the gap between the current situation and the desired situation, but can't find a proper metric to justify to my 'stakeholders' such a fee increase or lump-sum payment. In fact, looking at the report of my colleagues, you have indeed been instrumental in moving existing relationships within the firm, but in the last 12 months, I could not find evidence of a new client to the Group having initiated a relationship with substantial assets based on your direct introduction. Should this be incorrect, feel free to provide me with the information. In good faith, and because I would like to make a constructive proposal, I could imagine leaving today's fee at the current level and offer you again, on-top, the same introducer scheme as initially discussed. I am convinced that then based on business generated from your introductions, you can easily achieve the target 7 digit overall compensation you would like to attain.
I think this would balance and align economic interests for both parties.
I look forward to talking to you in a few hours.
Best,
Boris

From: ehud barak
Sent: Dienstag, 11. Februar 2014 19:29
To: Collardi, Boris
Subject: Touch base JB

Boris Hi
Thx for the excellent choice of restaurant. I hold precious our emerging friendship, openness and capability to work together on any issue. It can bear great results in the future.

However, I urge you to put behind us asap the compensation issue. It is already dragging for too long and you won't have a better timing to conclude it properly.

I keep thinking on the list of issues raised yesterday night and feel we have a lot more to cover, not just the 2014 plan.

Probably we have to set another meeting for the coming month. Let me know.

Looking forward for a fruitful and formative year in business as well as life

Best
Ehud Barak

Sent from my iPhone

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